



Accounting and Fund Reconciliation Project for the City's Community Facilities District and Mitigation Fee Funds Update

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PROJECT BUDGET

Task	Revised	Actual Hours per Month							Task % Complete
	Projected Hours	15-Nov	15-Dec	16-Jan	16-Feb	16-Mar	16-Apr	16-May	
1. Planning	90	34	20	8	2	2	-	-	73%
2. Fund Activity Reconciliation	1,100	26	159	237	164	175	-	-	69%
2a. Review of CFD Capital Project Files	550	-	-	-	-	15	-	-	3%
3. Mitigation Fee Reconciliation	1,000	117	164	151	152	199	-	-	78%
3a. AB 1600 Report	200	-	-	-	46	46	-	-	46%
4. Monthly Update to City Council	60	6	10	4	7	10	-	-	61%
Total monthly hours	3,000	183	353	400	371	446	-	-	
Total actual hours to date		183	536	936	1,306	1,752	1,752	1,752	
Percentage completed		6%	18%	31%	44%	58%	58%	58%	

- Because new documents continue to be made available, it's anticipated the entire originally budgeted 1,950 hours to complete the basic CFD reconciliation may not be used.
- However, we are still missing a significant amount of back-up supporting the use of CFD bond monies. As such, we plan to allocate the unused hours to research further into the City's records for unidentified or vague invoices
- This work is necessary to satisfy our scope of services and validate the eligible use of tax exempt bond proceeds.



PROJECT BUDGET

- All tasks are within budget and on time
- Available hours will be use to completed scope of work
- Through April 5, 2016 the total amount invoiced was \$82,037, which reflects billable project hours through Jan 31, 2016.



TASK 1 – PLANNING

- The City sent a copy service to Union Bank of California's Los Angeles office the week of March 7, 2016 to copy the requested files pertaining to the BFA and CFD 93-1 bonds.
- Copies of those files were provided to UFI on March 17, 2016. UFI is in the process of reviewing the 14,466 pages of documents and determining the completeness of them.
- During our review we noted that missing requisitions and invoices we noted in our reconciliation process have been located in these files.



TASK 1 – PLANNING

- The City made a request to BNY Mellon for requisitions for the 1993 Sewer, 1996A and the 1994AB Bonds on March 4, 2016.
- BNY Mellon has located the requisitions related to those bonds and is in the process of scanning them.
- The documents are scheduled to be delivered to the City Attorney on April 1, 2016.



TASK 2 – FUND ACTIVITY RECONCILIATION

- Completed reconciling the activity for the 2004A, 2004B, 2005B, 2006A, 2006B, 2009A bonds.
- Balance of the reconciliation activity to take place in April, assuming the records from Union Bank and BNY are made available to UFI.



TASK 2 – FUND ACTIVITY RECONCILIATION

Bond	Status
1993 Sewer	In process, no requisitions, need to review BNY Mellon Files for completeness
1994AB	Completed, will review Union Bank files for any noted missing requisition or invoices
1996A	In process, no requisitions, need to review BNY Mellon Files for completeness
2000A	In progress
2001 - Sewer	Completed, will review Union Bank files for any noted missing requisition or invoices
2002A	In process
2003A	In process
2003B	In process
2004A	Completed, will review Union Bank files for any noted missing requisition or invoices
2004B	Completed, will review Union Bank files for any noted missing requisition or invoices
2004C	Completed, will review Union Bank files for any noted missing requisition or invoices
2004D	Completed, will review Union Bank files for any noted missing requisition or invoices
2005A	Completed, will review Union Bank files for any noted missing requisition or invoices
2005B	Completed, will review Union Bank files for any noted missing requisition or invoices
2005C	Completed, will review Union Bank files for any noted missing requisition or invoices
2006A	Completed, will review Union Bank files for any noted missing requisition or invoices
2006B	Completed, will review Union Bank files for any noted missing requisition or invoices
2007A	Completed, will review Union Bank files for any noted missing requisition or invoices
2007B	Completed, will review Union Bank files for any noted missing requisition or invoices
2007CD	Completed, will review Union Bank files for any noted missing requisition or invoices
2007E	Completed, will review Union Bank files for any noted missing requisition or invoices
2008A	Completed, will review Union Bank files for any noted missing requisition or invoices
2009A	Completed, will review Union Bank files for any noted missing requisition or invoices
2009B	Completed, will review Union Bank files for any noted missing requisition or invoices
2011A	Completed, will review Union Bank files for any noted missing requisition or invoices
2012A	Completed, will review Union Bank files for any noted missing requisition or invoices
2012B	Completed, will review Union Bank files for any noted missing requisition or invoices
2012C	Completed, will review Union Bank files for any noted missing requisition or invoices
2013A	In process, no requisitions, need to review UB Files for completeness
2013B	In process, no requisitions, need to review UB Files for completeness
2015A	In process, no requisitions, need to review UB Files for completeness
2015B	In process, no requisitions, need to review UB Files for completeness
2015C	In process, no requisitions, need to review UB Files for completeness
2015D	In process, no requisitions, need to review UB Files for completeness



TASK 3 – MITIGATION FEE RECONCILIATION

- Reconciliation of Mitigation Fee expenditures for fiscal year 2015 is 90% complete.
- Reconciliation of Mitigation Fee expenditures for fiscal year 2014 complete.
- Reconciliation of Mitigation Fee expenditures for fiscal year 2013 complete.
- AB 1600 report for fiscal years 2013 - 2015 draft template in review.



TASK 4 – MONTHLY UPDATES

- Provided City Council with update on project status on March 1, 2016.
- Held a phone conference call with the Interim City Manager on March 25, 2016 to provide the City Management with a project status update.
- Continue to coordinate reconciliation work with the City's FY 16-17 Budget and Work Out Plan



ACTIVITIES TO BE COMPLETED BEFORE NEXT REPORTING PERIOD

- Complete review of documents received from Union Bank to determine completeness.
- Complete review of documents received from BNY Mellon, when received to determine completeness.
- Complete reconciliation of CFD bond activity for the remaining bonds: 1993, 1996A, 2000A, 2002A, 2003A, 2003B, 2013 A&B, and 2015 A-E.
- Prepare draft report for City Management review for the CFD Funds Reconciliation.
- Complete reconciliation of the mitigation fee expenditures for fiscal year 2015.



ACTIVITIES TO BE COMPLETED BEFORE NEXT REPORTING PERIOD

- Prepare project status update for City Council meeting on May 3, 2016.
- Present City Management with project status the week of April 25, 2016.



ISSUES TO REPORT

Continued problems determining project specifics funded through CFD monies due to vague vendor and City invoices.

City adopted a resolution on March 15, 2016 authorizing the issuance of a subpoena to the former principals at Urban Logic to provide documentation and information to aid in the reconciliation efforts.

UFI will research City records in an effort to identify and match up expenditure details with project invoices.



QUESTIONS?